00466

1961/07/14

Reference: PREM 11/3751
PUBLIC RECORD OFFICE
45441
COPYRIGHT · NOT TO BE REPRODUCED PHOTOGRAPHICALLY WITHOUT PERMISSION

SECRET

PM/61/96

PRIME MINISTER

LAOS

Thank you for your minute M 222/ 61 of July 8.

2. I do not think we can decide now to quit the Far East; there would be too many adverse repercussions. The Chancellor's proposed economies do not so far touch the Commonwealth Brigade, so that we could provide at least a small force for a SEATO exercise with a limited role. We would have to make it clear to the Americans if it came to a show-down on Laos that we could not provide more than this token.

Copy on "Defence Org. – Expenditure Pt. 2"

3. I realise that even this might involve considerable additional expense and man-power worries in bringing our units up to fighting establishment and keeping them supplied with ammunition, etc. There would also be works and communications costs in Laos. I would propose to warn Rusk when I see him that if it did come to hostilities we would probably have to ask that we should be helped to meet the additional cost. I hope you will agree that I should do this.

4. I am sending a copy of this minute to the Chancellor of the Exchequer.

I would like to talk to you about this X which we have to argue. I have not yet spoken to him with regard to this.

H.

July 14, 1961